

RICK SNYDER GOVERNOR

STATE OF MICHIGAN

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET LANSING

DAVID L. DEVRIES DIRECTOR

MINUTES

Electronic Recording Commission

February 23, 2018 Vehicle and Travel Services Building 6951 Crowner Dr., Lansing, Michigan.

Board Members Present: Sherri Irwin (David DeVries's designee); Lori Jarvis, Chair Christian Meyer, Thomas Richardson, Justin Roebuck, Michelle Stevenson and Teresa Walker.

Board Members Absent and Excused: Donna Krall

Also in attendance: Mike Batterbee, MDOS; Jerome Czaja, Chief Deputy Register; Kent County; Kerry DeBano, DTMB Legislative Liaison; Rachel Sanchez, Chief Deputy Register, Ottawa County; and Deborah Stevens, Recording Secretary.

- I. CALL TO ORDER. The meeting was called to order by the Chair C. Meyer at 9:58 a.m. A quorum was present.
- II. APPROVAL OF MINUTES.

Motion: to approve the minutes of October 24, 2016.

Moved: T. Richardson

Second: T. Walker

Passed: Unanimously

III. AMENDMENT OF BYLAWS

In 2015, the Uniform Real Property Record Act was amended to change the Commission's required meeting frequency from quarterly to annually. This change to Article IV, Section 1 aligns the bylaws with the Act.

Moved: M. Stevenson

Second: J. Roebuck

Passed: Unanimously

- IV. SB 0644 AND E-NOTARIZATION AND REMOTE NOTARY SB 0644 and related bills establish the ability of notaries public to perform notarial acts remotely through the use of technology. The Commission discussed many elements of concern.
 - T. Richardson stated that 30 states have legislation pending and that Texas has adopted the model act. The bill doesn't address record-keeping issue, and a large amount of mortgage fraud is related to poor vetting of notaries.

The Michigan Department of State is the lead agency, and DTMB legislative liaison will take the Commission's concerns to the Governor's legislative office. The Commission does not need to take a stand.

- T. Walker expressed that fraud is a big concern along with the integrity of the document. L. Jarvis agreed, noting that it must be made apparent that registers are to certify original documents.
- M. Stevenson noted that some training is offered to notaries but that it is not mandatory. M. Batterbee responded it would be difficult to train over 100,000 notaries in Michigan and questioned whether education would prevent fraud.
- J. Roebuck stated the customers want it but was concerned about lack of training, although technology could make the process more secure in some ways. There was some concern about how a document would get to a register and whether a register might disallow a submission if it was not an original.
- C. Meyer liked proposed language which would establish a memorandum of understanding between a register of deeds and a "trusted user."

Other items discussed included use of an "electronic stamp," the ability to audit; that more details could be requested through the JEC process when selecting vendors; and the differences between e-notarization and remote notarization.

V. REVIEW OF STANDARDS

The Chair reminded the Commission it had agreed to review the electronic recording standards with their respective communities over the next year to gather information on any changes that need to be made. This item will be on the fall agenda.

VI. ADJOURNMENT.

The Chair adjourned the meeting at 11:53 a.m.

Respectfully submitted:

Deborah A. Stevens, Recording Secretary

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